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November 17, 2009

*ALSO ADMITTED IN TX

VIA HAND-DELIVERY

The Honorable Charles L.A. Terreni

Chief Clerk/Administrator

Public Service Commission of South Carolina

101 Executive Center Drive

Columbia, South Carolina 29210

RECEIVED
NOV 17 11 00 AM
PUBLIC SERVICE
COMMISSION

RE: Application of United Utility Companies, Inc. for adjustment of rates and charges and modifications to certain terms and conditions for the provision of water and sewer service.

Dear Mr. Terreni:

Enclosed for filing are the original and ten (10) copies of the Application of United Utility Companies, Inc., in the above-referenced matter. Also enclosed you will find the Applicant's proposed notice of filing and hearing. By copy of this letter, I am serving a copy of these documents upon the Executive Director of the Office of Regulatory Staff and enclose a Certificate of Service to that effect.

I would appreciate your acknowledging receipt of this Application and Certificate by date-stamping the extra copies enclosed and returning the same to me via our courier.

If you have any questions or if you need any additional information, please do not hesitate to contact me.

Sincerely,

WILLOUGHBY & HOEFER, P.A.



Benjamin P. Mustian

BPM/cf

Enclosures

cc: Honorable C. Dukes Scott

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2009-____-W/S

IN RE:

Application of United Utility Companies,
Inc. for adjustment of rates and charges
and modifications to certain terms
and conditions for the provision of
water and sewer service.

APPLICATION

RECEIVED
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PUBLIC SERVICE
COMMISSION

United Utility Companies, Inc. ("Applicant" or "Company") would respectfully show unto, and request of, the Commission as follows:

BACKGROUND

1. Applicant is a corporation organized and existing under the laws of the State of Delaware and is authorized to do business in the State of South Carolina.
2. Applicant is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2008), providing water and sewer service to the public for compensation in certain areas of South Carolina¹ pursuant to rates approved by the Commission in Docket No. 2000-210-W/S, Order No. 2004-254, dated May 12, 2004.
3. All communications or inquiries regarding this Application should be directed as set forth below:

¹ The Company's Commission approved service area includes portions of Anderson, Cherokee, Greenville, Greenwood, Spartanburg and Union counties.

a. **Applicant's Representative:**

Mr. John P. Hoy
Chief Regulatory Officer
Utilities, Inc.
2335 Sanders Road
Northbrook, Illinois 60062-6196

b. **Legal Counsel:**

John M.S. Hoefer, Esquire
Benjamin P. Mustian, Esquire
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Post Office Box 8416
Columbia, South Carolina 29202-8416
(803) 252-3300

**REQUEST FOR RATE RELIEF AND APPROVAL OF
RATE SCHEDULE MODIFICATIONS**

4. Pursuant to S.C. Code Ann. §§ 58-5-240 (Supp. 2008) and 26 S.C. Code Ann. Regs. RR. 103-512.4.A and 103-712.4.A (1976, as amended), Applicant requests that the Commission approve the monthly water and sewer service charges set forth in the seven (7) page rate schedule attached hereto and incorporated herein by this reference as Exhibit "A." Pursuant to R. 103-703 and 26 S.C. Code Ann. Regs. R. 103-503 (1976), Applicant further proposes a modification to the terms and conditions under which a tenant will be billed for water and sewer services to comport with current S.C. Code Ann. § 27-33-50 (Supp. 2008), as same may be amended in the future. Also, pursuant to 26 S.C. Code Ann. Regs. R. 103-703 (1976), Applicant proposes to add language requiring its customers who install, permit to be installed or maintain a cross connection between the Company's water system and any other non-public water system to install a backflow prevention device in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. The Company further proposes to require such customers to annually have such cross connection inspected by a licensed certified tester

and provide to Utility no later than June 30 of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as same may be amended from time to time. Additionally, Applicant proposes to modify the provision dealing with single family equivalents to incorporate the pertinent regulation of the South Carolina Department of Health and Environmental Control ("DHEC"), and to include language pertaining to the terms and conditions for extensions of its facilities for service. Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Notification Fee to be charged in connection with a notice required to be provided pursuant to RR. 103-535.1 (Supp.2008) prior to disconnection of sewer services.

SUPPORTING DOCUMENTATION

5. Applicant proposes a test year of January 1, 2008, to December 31, 2008, and has prepared certain financial statements relating to that time period in support of the Application, which statements are attached hereto and incorporated herein by this reference as Exhibit "B," pages 1 through 10. These financial statements include the following:

- a. Balance Sheet (Schedule A)
- b. Current and pro forma income and expense statements (Schedule B)
- c. Rate base and rate of return information (Schedule C).²

Applicant also submits, as Exhibit "B" pages 11 through 16, the following information in support of the Application:

² These calculations are for informational purposes only as Applicant will submit evidence with respect to proper returns on equity and rate base at hearing.

- d. Water and sewer consumption analyses (Schedule D)
- e. Water and sewer proposed revenues (Schedule E)
- f. Schedule of current and projected customers (Schedule F)
- g. Effect of proposed rates (Schedule G)

6. Attached hereto and incorporated herein by this reference as Exhibit "C" is the most recent approval letter from DHEC.

7. Attached hereto and incorporated herein by this reference as Exhibit "D" is the Company's current customer bill form.

8. Attached hereto and incorporated herein by this reference as Exhibit "E" is evidence of the Company's most recent Gross Receipts Tax filing.

9. The Company's Annual Report for the last period is on file with this Commission.

10. The Company's current rate schedule as approved by Order No. 2004-254, dated May 12, 2004 is on file with this Commission.

11. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720 (Supp. 2008).

12. A map depicting Applicant's current service area is on file with the Commission.

13. The financial statements, the other documents submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rules R. 103-512.4 and R. 103-712.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.³

³ Because Applicant utilizes a composite depreciation rate of 1 ½%, no depreciation schedule by categories of plant or average service lives exists. The Applicant will, of course, make available during the audit copies of the Company's depreciation workpapers. Also, in accordance with Order No. 2005-18, Docket No. 2005-83-A, a proposed notice of filing is being transmitted with the instant application.

NEED AND JUSTIFICATION FOR RATE RELIEF

14. Applicant submits that the proposed rate increase is necessary in order that it may provide reasonable and adequate service to its customers, cover its expenses, be permitted an opportunity to earn a reasonable return on its investment, and attract capital for future improvements. Said rates are also necessary in order that the Applicant may comply with the standards and regulations set by DHEC or other environmental regulatory authorities. Said rates will preserve the financial integrity of Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high quality water and sewer services.

15. Applicant submits that an increase in the notification fee for disconnection of sewer service is necessary due, in part, to increased postage charges by the United States Postal Service since the current fee was set by the Commission in Order No. 87-946, dated September 8, 1987, in Docket No. 87-145-W/S. Charges for Certified/Return Receipt mailings are currently \$5.54 which reflects an increase from the charge of \$3.74 which was in effect in 2001 at the time of the Company's last rate case application approved by the Commission in Order No. 2002-214, dated March 22, 2002, in Docket No. 2000-210-W/S.⁴ The increase is further needed to defray the cost of administrative/clerical time necessarily incurred by the Company to provide the required notices. Because the notification process is very time consuming, and due to the number of mailings to delinquent customers of the Company, Applicant believes the increased fee is reasonable and will allow the Company to recover its costs incurred to provide the required notice.

⁴ As the Commission is aware, portions of the rate schedule approved by Commission Order No. 2002-214 were subsequently modified on remand by Order No. 2004-254, dated May 19, 2004 ("Remand Order"). The Notification Fee was unaffected by the Remand Order.

REQUEST FOR RATE BASE TREATMENT

16. Applicant further submits that given its substantial plant investment, and specifically the rate base reflected on Schedule C of Exhibit "B," Applicant is entitled to have the reasonableness of its proposed rates determined in accordance with the rate of return on rate base methodology. Accordingly, Applicant requests rate base treatment in this proceeding.

WHEREFORE, having fully set forth its Application, United Utility Companies, Inc. prays that the Commission approve the rates proposed and grant to Applicant such other and further relief as the Commission may deem just and proper.



John M. S. Hoefer
Benjamin P. Mustian
Willoughby & Hoefer, P.A.
Post Office Box 8416
Columbia, South Carolina 29202-8416
803-252-3300

Attorneys for United Utility Companies, Inc.

This 17th day of November, 2009.
Columbia, South Carolina

Exhibit "A"

UNITED UTILITY COMPANIES, INC.

SCHEDULE OF **PROPOSED** RATES AND CHARGES

WATER

1. Monthly Charges

Residential –

Monthly charge per single-family house, condominium, mobile home or apartment unit:

\$20.69 per unit

Commodity Charge:

\$8.09 per 1,000
Gallons or 134 cft

Commercial

Monthly Charge

\$20.69 per SFE*

Commodity Charge:

\$8.09 per 1,000
Gallons or 134 cft

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

When, because of the method of water line installation utilized by the developer or owner, it is impractical to meter each unit separately, service will be provided through a single meter, and consumption of all units will be averaged; a bill will be calculated based on that average and the result multiplied by the number of units served by a single meter.

The Utility will, for the convenience of the owner, bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master water meter or a single water connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored. Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.

2. Non-Recurring Charges

- A) Water service connection charge per single-family equivalent* \$100.00
- B) Plant Impact fee per single-family equivalent* \$400.00

The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating of a non-residential customer is less than one (1). If the equivalency rating of a non residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the water system is requested.

3. Account Set-Up and Reconnection Charges

- a. Customer Account Charge – for new customers only. \$25.00
- b. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of thirty five dollars (\$35.00) shall be due prior to the Utility reconnecting service which has been disconnected for any reason set forth in Commission Rule R.103-732.5. Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the service period they were disconnected.

4. Billing Cycle

Recurring charges will be billed monthly in arrears. Nonrecurring charges will be billed and collected in advance of service being provided.

5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 1/2 %) for each month, or any part of a month, that said payment is late.

6. Cross Connection Inspection

Any customer installing, permitting to be installed, or maintaining any cross connection between the Utility's water system and any other non-public water system, sewer or a line from any container of liquids or other substances, must install an approved back-flow prevention device in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. Such a customer shall annually have such cross connection inspected by a licensed certified tester and provide to Utility a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. Said report and results must be provided by the customer to the Utility no later

than June 30th of each year. If a customer fails to comply with the requirement to perform annual inspections, the utility may, after 30 days' written notice, disconnect water service.

7. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capability of the Utility, the Utility may, in lieu of mailing a paper copy, provide an electronic bill to the customer on the Utility's website. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-732.2 (Supp. 2008) as may be amended from time to time.

8. Construction Standards

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed.

9. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its water system. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service unless water supply is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has for any reason restricted the Utility from adding additional customers to the serving water system. In no event will the Utility be required to construct additional water supply capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding water supply capacity to the affected water system.

* A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Environmental Control Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities – 25 S.C. Code Ann. Regs. 61-67 Appendix A (Supp. 2008), as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.

SCHEDULE OF **PROPOSED** RATES AND CHARGES

SEWER

1. Monthly Charges

Residential –

Monthly charge per single-family
house, condominium, villa
or apartment unit:

\$73.89 per unit

Mobile Homes – monthly charge:

\$54.50 per unit

Commercial - monthly charge per
single-family equivalent*:

\$73.89

Charge for Sewage Collection Service Only

When sewage is collected by the Utility and transferred to a government body or agency, or other entity for treatment, the Utility's rates are as follows:

Residential - monthly charge per
single-family house, condominium,
mobile home, or apartment unit

\$ 37.77 per unit

Commercial - monthly charge per
single-family equivalent*

\$ 37.77

The Utility will also charge for treatment services provided by the government body or agency or other entity. The rates imposed or charged by the government body or agency or other entity providing treatment will be charged to the Utility's affected customers on a pro rata basis, without markup. Where the Utility is required under the terms of the 201/208 Plan to interconnect to the sewage treatment system of a government body or agency or other entity and tap/connection /impact fees are imposed by that entity, such tap/connection/impact fees will be charged to the Utility's affected customers on a pro rate basis, without markup.

Commercial customers are those not included in the residential category above and include, but are not limited to, hotels, stores, restaurants, offices, industry, etc.

The Utility will, for the convenience of the owner, bill a tenant in a multi-unit building, consisting of four or more residential units, which is served by a master sewer meter or a single sewer connection. However, in such cases all arrearages must be satisfied before service will be provided to a new tenant or before interrupted service will be restored.

Failure of an owner to pay for services rendered to a tenant in these circumstances may result in service interruptions.

2. Non-recurring Charges

- | | | |
|----|--|----------|
| A) | Sewer service connection charge per single-family equivalent*: | \$100.00 |
| B) | Plant Impact fee per single-family Equivalent*: | \$400.00 |

The nonrecurring charges listed above are minimum charges and apply even if the equivalency rating of a non-residential customer is less than one (1). If the equivalency rating of a non-residential customer is greater than one (1), then the proper charge may be obtained by multiplying the equivalency rating by the appropriate fee. These charges apply and are due at the time new service is applied for, or at the time connection to the sewer system is requested.

3. Notification, Account Set-Up and Reconnection Charges

- a. Notification Fee
A fee of twenty-five dollars (\$24.00) shall be charged each customer to whom the Utility mails the notice as required by Commission Rule R. 103-535.1 prior to service being discontinued. This fee assesses a portion of the clerical and mailing costs of such notices to the customers creating the cost.
- a. Customer Account Charge: A fee of twenty-five dollars (\$25.00) shall be charged as a one-time fee to defray the costs of initiating service. This charge will be waived if the customer also takes water service.
- c. Reconnection Charges: In addition to any other charges that may be due, a reconnection fee of two hundred fifty dollars (\$250.00) shall be due prior to the Utility reconnection service which has been disconnected for any reason set forth in Commission Rule R.103-532.4. The amount of the reconnection fee shall be in accordance with R.103-532.4 and shall be changed to conform with said rule as the rule is amended from time to time. Customers who ask to be reconnected within nine months of disconnection will be charged the monthly base facility charge for the service period they were disconnected.

4. Billing Cycle

Recurring charges will be billed monthly in arrears. Non-recurring charges will be billed and collected in advance of service being provided.

5. Late Payment Charges

Any balance unpaid within twenty-five (25) days of the billing date shall be assessed a late payment charge of one and one-half percent (1 1/2 %) for each month, or any part of a month, that said payment is late.

6. Electronic Billing and Electronic Payment

If requested by the customer in writing and within the capability of the Utility, the Utility may, in lieu of mailing a paper copy, provide an electronic bill to the customer on the Utility's website. The electronic bill shall contain the same content and be presented in the same or a similar format as a bill delivered to the customer pursuant to Commission Rule R. 103-532.1 (Supp. 2008) as may be amended from time to time.

7. Toxic and Pretreatment Effluent Guidelines

The Utility will not accept or treat any substance or material that has not been defined by the United States Environmental Protection Agency ("EPA") or the South Carolina Department of Environmental Control ("DHEC") as a toxic pollutant, hazardous waste, or hazardous substance, including pollutants falling within the provisions of 40 CFR 129.4 and 401.15. Additionally, pollutants or pollutant properties subject to 40 CFR 403.5 and 403.6 are to be processed according to pretreatment standards applicable to such pollutants or pollutant properties, and such standards constitute the Utility's minimum pretreatment standards. Any person or entity introducing any such prohibited or untreated materials into the Company's sewer system may have service interrupted without notice until such discharges cease, and shall be liable to the utility for all damages and costs, including reasonable attorney's fees, incurred by the utility as a result thereof.

8. Construction Standards

The Utility requires all construction to be performed in accordance with generally accepted engineering standards, at a minimum. The Utility from time to time may require that more stringent construction standards be followed.

9. Extension of Utility Service Lines and Mains

The Utility shall have no obligation at its expense to extend its utility service lines or mains in order to permit any customer to connect to its sewer system. However, anyone or entity which is willing to pay all costs associated with extending an appropriately sized and constructed main or utility service line from his/her/its premises to any appropriate connection point, pay the appropriate fees and charges as set forth in this rate schedule, and comply with the guidelines and standards hereof, shall not be denied service unless sewer capacity is unavailable or unless the South Carolina Department of Health and Environmental Control or other government entity has restricted the Utility from adding for any reason additional customers to the serving sewer system. In no event will the Utility be required to construct additional wastewater treatment capacity to serve any customer or entity without an agreement acceptable to the Utility first having been reached for the payment of all costs associated with adding wastewater treatment capacity to the affected sewer system.

* A Single Family Equivalent (SFE) shall be determined by using the South Carolina Department of Environmental Control Guidelines for Unit Contributory Loadings for Domestic Wastewater Treatment Facilities – 25 S.C. Code Ann. Regs. 61-67 Appendix A (Supp. 2005), as may be amended from time to time. Where applicable, such guidelines shall be used for determination of the appropriate monthly service and tap fee.

United Utility Company
BALANCE SHEET
December 31, 2008

Schedule A

<u>ASSETS</u>		<u>LIABILITIES AND OTHER CREDITS</u>	
Plant In Service		Capital Stock and Retained Earnings	
Water	\$ 471,426	Common Stock and Paid In Capital	\$ (1,256,323)
Sewer	5,559,957	Retained Earnings	1,240,052
Total	\$ 6,031,383	Total	\$ (16,271)
Accumulated Depreciation-Water	(59,960)	Current and Accrued Liabilities	
Accumulated Depreciation-Sewer	(411,952)	Accounts Payable-Trade	(72,642)
Total	\$ (471,912)	Taxes Accrued	(1,360)
Net Utility Plant	\$ 5,559,470	Customer Deposits	(28,912)
		Customer Deposits - Interest	(28,802)
		A/P - Assoc. Companies	(3,246,926)
		Deferred Revenue	-
Plant Acquisition Adjustment-Water	-	Total	\$ (3,378,642)
Plant Acquisition Adjustment-Sewer	-	Advances In Aid of Construction	
Total	\$ -	Water	-
		Sewer	-
Construction Work In Process-Water	627	Total	\$ -
Construction Work In Process-Sewer	198,102	Contributions In Aid of Construction	
Total	\$ 198,729	Water	(228,613)
Current Assets		Sewer	(2,264,255)
Cash	43	Total	\$ (2,492,868)
Accounts Receivable - Net	397,840	Accumulated Deferred Income Tax	
Other Current Assets	18,150	Unamortized ITC	-
Total	\$ 416,034	Deferred Tax - Federal	(301,867)
Deferred Charges	19,223	Deferred Tax - State	(3,809)
TOTAL ASSETS	\$ 6,193,457	Total	\$ (305,676)
		TOTAL LIABILITIES AND OTHER CREDITS	\$ (6,193,457)

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	\$ 47,368	\$ 1,837 [a]	\$ 49,205	\$ 39,269 [l]	\$ 88,474
Service Revenues - Sewer	757,005	(4,817) [a]	752,189	399,938 [l]	1,152,127
Miscellaneous Revenues	23,049	-	23,049	12,000 [l]	35,049
Uncollectible Accounts	(9,017)	(27,602) [q]	(36,619)	(20,191) [b]	(56,810)
Total Operating Revenues	818,405	(30,581)	787,824	431,016	1,218,840
Maintenance Expenses					
Salaries and Wages	169,510	(23,315) [c]	146,195	-	146,195
Purchased Power	87,214	4,962 [j]	92,176	-	92,176
Purchased Sewer & Water	17,898	-	17,898	-	17,898
Maintenance and Repair	133,023	7,569 [j]	140,592	-	140,592
Maintenance Testing	243,596	(206,406) [m]	37,191	-	37,191
Chemicals	30,310	1,725 [j]	32,035	-	32,035
Transportation	12,877	6,329 [j][o]	19,207	-	19,207
Operating Exp. Charged to Plant	(29,236)	(10,562) [n]	(39,798)	-	(39,798)
Outside Services - Other	7,037	-	7,037	-	7,037
Total	672,230	(219,698)	452,532	-	452,532
General Expenses					
Salaries and Wages	38,283	(4,227) [c]	34,057	-	34,057
Office Supplies & Other Office Exp.	17,971	1,023 [j]	18,994	-	18,994
Regulatory Commission Exp.	31,890	42,619 [d]	74,509	-	74,509
Pension & Other Benefits	23,645	7,078 [c]	30,723	-	30,723
Insurance	10,490	-	10,490	-	10,490
Office Utilities	11,687	665 [j]	12,352	-	12,352
Miscellaneous	11,794	50 [k]	11,844	-	11,844
Total	145,761	47,208	192,969	-	192,969
Depreciation	104,299	(17,185) [e][p]	87,114	-	87,114
Taxes Other Than Income	122,312	(8,670) [f]	113,642	4,942 [f]	118,584
Deferred Income Tax - Fed	12,308	-	12,308	-	12,308
Deferred Income Tax - State	1,904	-	1,904	-	1,904
Income Taxes - Federal	(92,911)	52,358 [g]	(40,553)	137,622 [g]	97,069
Income Taxes - State	(20)	(6,258) [g]	(6,278)	21,304 [g]	15,026
Amortization of CIAC	(44,561)	(18) [e]	(44,580)	-	(44,580)
Total	103,331	20,227	123,558	163,868	287,426
Total Operating Expenses	921,322	(152,263)	769,059	163,868	932,927
Net Operating Income	(102,917)	121,682	18,765	267,149	285,914
Interest During Construction	(10,384)	10,384 [h]	-	-	-
Interest on Debt	54,806	56,993 [i]	111,798	-	111,798
Net Income	\$ (147,339)	\$ 54,306	\$ (93,033)	\$ 267,149	\$ 174,116

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	\$ 47,368	\$ 1,837 [a]	\$ 49,205	\$ 39,269 [l]	\$ 88,474
Service Revenues - Sewer	-	-	-	-	-
Miscellaneous Revenues	1,357	-	1,357	-	1,357
Uncollectible Accounts	(531)	(2,175) [q]	(2,706)	(2,160) [b]	(4,866)
Total Operating Revenues	48,194	(338)	47,856	37,109	84,966
Maintenance Expenses					
Salaries and Wages	12,526	(1,723) [c]	10,803	-	10,803
Purchased Power	3,958	225 [j]	4,183	-	4,183
Purchased Water	3,374	-	3,374	-	3,374
Maintenance and Repair	6,593	375 [j]	6,968	-	6,968
Maintenance Testing	26,073	(15,252) [m]	10,821	-	10,821
Chemicals	2,240	127 [j]	2,367	-	2,367
Transportation	952	468 [j][o]	1,419	-	1,419
Operating Exp. Charged to Plant	(2,160)	(780) [n]	(2,941)	-	(2,941)
Outside Services - Other	520	-	520	-	520
Total	54,076	(16,560)	37,516	-	37,516
General Expenses					
Salaries and Wages	2,829	(312) [c]	2,517	-	2,517
Office Supplies & Other Office Exp.	1,328	76 [j]	1,404	-	1,404
Regulatory Commission Exp.	2,357	3,149 [d]	5,506	-	5,506
Pension & Other Benefits	1,747	523 [c]	2,270	-	2,270
Insurance	775	-	775	-	775
Office Utilities	864	49 [j]	913	-	913
Miscellaneous	872	4 [k]	868	-	868
Total	10,771	3,488	14,252	-	14,252
Depreciation	9,403	(2,841) [e][p]	6,562	-	6,562
Taxes Other Than Income	8,774	(641) [f]	8,134	442 [f]	8,575
Deferred Income Tax - Fed	725	-	725	-	725
Deferred Income Tax - State	112	-	112	-	112
Income Taxes - Federal	(5,471)	(1,124) [g]	(6,595)	11,844 [g]	5,248
Income Taxes - State	(1)	(1,020) [g]	(1,021)	1,833 [g]	812
Amortization of CIAC	(4,201)	0 [e]	(4,200)	-	(4,200)
Total	9,341	(5,625)	3,716	14,119	17,835
Total Operating Expenses	74,188	(18,697)	55,484	14,119	69,603
Net Operating Income	(25,994)	18,359	(7,628)	22,991	15,363
Interest During Construction	(801)	801 [h]	-	-	-
Interest on Debt	4,242	1,770 [i]	6,012	-	6,012
Net Income	\$ (29,435)	\$ 15,788	\$ (13,639)	\$ 22,991	\$ 9,351

	Per Books	Pro Forma Adjustments	Pro Forma Present	Proposed Increase	Pro Forma Proposed
Operating Revenues					
Service Revenues - Water	-	-	-	-	-
Service Revenues - Sewer	\$ 757,005	\$ (4,817) [a]	\$ 752,189	\$ 399,938 [l]	\$ 1,152,127
Miscellaneous Revenues	21,692	-	21,692	12,000 [l]	33,692
Uncollectible Accounts	(8,486)	(25,427) [q]	(33,913)	(18,031) [b]	(51,944)
Total Operating Revenues	770,211	(30,243)	739,968	393,907	1,133,875
Maintenance Expenses					
Salaries and Wages	156,984	(21,593) [c]	135,391	-	135,391
Purchased Power	83,256	4,737 [j]	87,993	-	87,993
Purchased Sewer & Water	14,524	-	14,524	-	14,524
Maintenance and Repair	126,430	7,194 [j]	133,623	-	133,623
Maintenance Testing	217,523	(191,153) [m]	26,370	-	26,370
Chemicals	28,071	1,597 [j]	29,668	-	29,668
Transportation	11,926	5,862 [j][o]	17,787	-	17,787
Operating Exp. Charged to Plant	(27,075)	(9,781) [n]	(36,857)	-	(36,857)
Outside Services - Other	6,517	-	6,517	-	6,517
Total	618,154	(203,137)	415,017	-	415,017
General Expenses					
Salaries and Wages	35,454	(3,914) [c]	31,540	-	31,540
Office Supplies & Other Office Exp.	16,643	947 [j]	17,590	-	17,590
Regulatory Commission Exp.	29,534	39,469 [d]	69,003	-	69,003
Pension & Other Benefits	21,898	6,555 [c]	28,453	-	28,453
Insurance	9,715	-	9,715	-	9,715
Office Utilities	10,823	616 [j]	11,439	-	11,439
Miscellaneous	10,922	46 [k]	10,876	-	10,876
Total	134,990	43,719	178,616	-	178,616
Depreciation	94,896	(14,344) [e][p]	80,552	-	80,552
Taxes Other Than Income	113,538	(8,030) [f]	105,509	4,500 [f]	110,009
Deferred Income Tax - Fed	11,583	-	11,583	-	11,583
Deferred Income Tax - State	1,792	-	1,792	-	1,792
Income Taxes - Federal	(87,440)	53,482 [g]	(33,958)	125,778 [g]	91,820
Income Taxes - State	(19)	(5,238) [g]	(5,257)	19,470 [g]	14,214
Amortization of CIAC	(40,361)	(18) [e]	(40,379)	-	(40,379)
Total	93,990	25,852	119,842	149,749	269,591
Total Operating Expenses	847,134	(133,567)	713,474	149,749	863,223
Net Operating Income	(76,923)	103,323	26,493	244,158	270,651
Interest During Construction	(9,583)	9,583 [h]	-	-	-
Interest on Debt	50,564	55,223 [i]	105,786	-	105,786
Net Income	\$ (117,904)	\$ 38,518	\$ (79,293)	\$ 244,158	\$ 164,865

- [a] Revenues are annualized at proposed rates using the average test year customers.
- [b] Uncollectible Accounts are adjusted based on the percentage of uncollectible accounts to revenues in the test year applied to pro forma proposed revenues.
- [c] Salaries, Wages and Benefits are adjusted to annualize as of the end of the year.
- [d] Regulatory Commission Expense has been adjusted to reflect the cost of the current rate case over 3 years.
- [e] Depreciation and Amortization Expense are annualized. Depreciation expense represents gross depreciable plant at the end of the year plus pro forma projects multiplied by their respective depreciation rates.
- [f] Taxes Other than Income is adjusted for annualized payroll taxes, Utility Commission Taxes, and Gross Receipts Taxes.
- [g] Income Taxes are computed on taxable income at current rates (35% federal and 5% state).
- [h] AFUDC is eliminated for rate making purposes.
- [i] Interest on Debt has been computed using a 53.3% / 46.7% debt / equity ratio and a 6.58% cost of debt.
- [j] A consumer price index increase of 5.69% has been included in this filing.
- [k] Penalties, if incurred, are removed.
- [l] Proposed revenue increase derive from Sch. D & E and Sch. D & E-Misc.
- [m] Adjustment has been made to reflect DHEC fees attributable to UUC
- [n] Adjustment to Operating Exp. Charged to Plant
- [o] Transportation expense adjustment to reflect ERC allocation methodology
- [p] Depreciation Expense adjustment to reflect ERC allocation methodology for vehicles & computers
- [q] Adjustment to uncollectibles based on uncollectibles aging report as of 5/31/09

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	\$ (102,917)	121,682	\$ 18,765	267,149	\$ 285,914
Gross Plant In Service	\$ 6,031,383	218,316	[c] 6,249,699	-	\$ 6,249,699
Accumulated Depreciation	(471,912)	171,542	[b] (300,370)	-	(300,370)
Net Plant In Service	5,559,470	389,859	5,949,329	-	5,949,329
Cash Working Capital	117,538	(22,657)	[a] 94,881	-	94,881
Contributions In Aid of Construction	(2,492,868)	18	[d] (2,492,850)	-	(2,492,850)
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	(305,676)	-	(305,676)	-	(305,676)
Customer Deposits	(57,714)	-	(57,714)	-	(57,714)
Total Rate Base	\$ 2,820,751	\$ 367,220	\$ 3,187,971	\$ -	\$ 3,187,971
Return on Rate Base	-3.65%		0.59%		8.97%

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	(25,994)	18,366	(7,628)	22,991	15,363
Gross Plant In Service	\$ 471,426	4,331 [c]	475,757	-	475,757
Accumulated Depreciation	(59,960)	2,470 [b]	(57,490)	-	(57,490)
Net Plant In Service	411,466	6,801	418,267	-	418,267
Cash Working Capital	9,203	(1,715) [a]	7,488	-	7,488
Contributions In Aid of Construction	(228,613)	(0) [d]	(228,613)	-	(228,613)
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	(21,456)	-	(21,456)	-	(21,456)
Customer Deposits	(4,265)	-	(4,265)	-	(4,265)
Total Rate Base	\$ 166,336	\$ 5,086	\$ 171,422	\$ -	\$ 171,422
Return on Rate Base	-15.63%		-4.45%		8.96%

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

	Per Books	Pro Forma Adjustments	As Adjusted	Proposed Increase	Effect of Proposed Increase
Net Operating Income	<u>(76,923)</u>	<u>103,416</u>	<u>26,493</u>	<u>244,158</u>	<u>270,651</u>
Gross Plant In Service	\$ 5,559,957	213,986 [c]	5,773,942	-	5,773,942
Accumulated Depreciation	<u>(411,952)</u>	<u>169,072</u> [b]	<u>(242,880)</u>	-	<u>(242,880)</u>
Net Plant In Service	<u>5,148,004</u>	<u>383,058</u>	<u>5,531,062</u>	-	<u>5,531,062</u>
Cash Working Capital	108,335	(20,942) [a]	87,393	-	87,393
Contributions In Aid of Construction	<u>(2,264,255)</u>	<u>18</u> [d]	<u>(2,264,237)</u>	-	<u>(2,264,237)</u>
Advances in Aid of Construction	-	-	-	-	-
Accumulated Deferred Income Taxes	<u>(284,220)</u>	-	<u>(284,220)</u>	-	<u>(284,220)</u>
Customer Deposits	<u>(53,449)</u>	-	<u>(53,449)</u>	-	<u>(53,449)</u>
Total Rate Base	\$ <u>2,654,415</u>	\$ <u>362,134</u>	\$ <u>3,016,549</u>	\$ -	\$ <u>3,016,549</u>
Return on Rate Base	<u>-2.90%</u>		<u>0.88%</u>		<u>8.97%</u>

The return on rate base shown above is calculated using a return on common equity of 11.70%; however, the return on rate base and return on common equity are provided solely as a matter of information and convenience for the Commission and is not intended to reflect a request for this specific return on rate base (or any specific return on equity). Applicant will make its request for a return on rate base (and return on common equity) by way of evidence to be introduced at hearing.

		G/L W & S 12/31/08	G/L Water 12/31/08	G/L Sewer 12/31/08
1020	ORGANIZATION	6,000	6,000	-
1025	FRANCHISES	17,743	17,743	-
1045	LAND & LAND RIGHTS GEN PL	2,561	2,561	-
1050	STRUCT & IMPRV SRC SUPPLY	38,728	38,728	-
1055	STRUCT & IMPRV WTR TRT PL	5,758	5,758	-
1080	WELLS & SPRINGS	51,006	51,006	-
1105	ELECTRIC PUMP EQUIP WTP	30,447	30,447	-
1115	WATER TREATMENT EQPT	62,148	62,148	-
1120	DIST RESV & STANDPIPES	51,674	51,674	-
1125	TRANS & DISTR MAINS	146,303	146,303	-
1130	SERVICE LINES	19,390	19,390	-
1135	METERS	8,597	8,597	-
1140	METER INSTALLATIONS	5,361	5,361	-
1155	OTH PLT&MISC EQUIP INTANG	678	678	-
1175	OFFICE STRUCT & IMPRV	48,615	3,592	45,022
1180	OFFICE FURN & EQPT	32,728	2,418	30,310
1190	TOOL SHOP & MISC EQPT	38,929	2,877	36,052
1195	LABORATORY EQUIPMENT	25,130	1,857	23,273
1205	COMMUNICATION EQPT	6,575	486	6,089
1220	OTHER TANGIBLE PLT WATER	1,053	1,053	-
1245	ORGANIZATION	14,349	-	14,349
1250	FRANCHISES INTANG PLT	11,837	-	11,837
1285	LAND & LAND RIGHTS GEN PL	17,287	-	17,287
1295	STRUCT/IMPRV PUMP PLT LS	508,670	-	508,670
1300	STRUCT/IMPRV TREAT PLT	492,636	-	492,636
1310	STRUCT/IMPRV RECLAIM WTR	1,340	-	1,340
1315	STRUCT/IMPRV GEN PLT	33,310	-	33,310
1345	SEWER FORCE MAIN/SRVC LIN	374,158	-	374,158
1350	SEWER GRAVITY MAIN	1,748,720	-	1,748,720
1365	FLOW MEASURE DEVICES	275	-	275
1380	PUMPING EQUIPMENT PUMP PL	13,521	-	13,521
1385	PUMPING EQUIPMENT RECLAIM	4,925	-	4,925
1395	TREAT/DISP EQUIP LAGOON	72,695	-	72,695
1400	TREAT/DISP EQUIP TRT PLT	1,954,704	-	1,954,704
1410	PLANT SEWERS TRTMT PLT	3,627	-	3,627
1415	PLANT SEWERS RECLAIM WTP	3,811	-	3,811
1420	OUTFALL LINES	1,493	-	1,493
1435	OTHER PLT PUMP	732	-	732
1440	OTHER PLT TREATMENT	290	-	290
1470	TOOL SHOP & MISC EQPT	1,856	137	1,719
1485	COMMUNICATION EQPT	368	27	340
1490	MISC EQUIP SEWER	970	72	898
1535	REUSE DIST RESERVOIRS	402	-	402
1540	REUSE TRANSMISSION & DIST	634	-	634
	Plant In Service	5,862,033	458,912	5,403,121
1555	TRANSPORTATION EQPT WTR	46,315	3,422	42,893
	COMPUTER EQUIPMENT	46,315	3,422	42,893
1580	MAINFRAME COMPUTER WTR	2,853	211	2,642
1585	MINI COMPUTERS WTR	20,069	1,483	18,586
1590	COMP SYS COST WTR	97,355	7,194	90,161
1595	MICRO SYS COST WTR	2,758	204	2,554
	Computer Equipment	123,035	9,092	113,943
	Total Plant	6,031,383	471,426	5,559,957

- [a] Working Capital is calculated based on pro forma expenses.
- [b] Accumulated depreciation is adjusted for planned additional capital investments, retirements, and plant held for future use. Computers and Vehicles A/D is recalculated based on the ERC allocation methodology.
- [c] General ledger additions & pro-forma plant/retirements up to rate base cut off date are added.
- [d] CIAC: CIAC amortization expense is annualized using the appropriate amortization rate.

United Utility Company
TEST YEAR / PRESENT REVENUES
 Test Year Ended December 31, 2008

Schedule D-Misc

WATER

<u>Bill code</u>	<u>Description</u>	<u>Charge</u>	<u>Revenues</u>
------------------	--------------------	---------------	-----------------

SEWER

<u>Bill code</u>	<u>Description</u>	<u>Charge</u>	<u>Annual Average Notices Sent</u>	<u>Revenues</u>
70090	Certified Notification Fee	4	500	\$ 2,000

WATER

Bill code	Description	Usage Charge	BFC	Gallons	Units	Jan-Dec Revenues
All Subst.						
70001/70002	Residential Water	\$ 8.09	\$ 20.69	7,829,632	1,215	\$ 88,474
	Total			7,829,632	1,215	\$ 88,474

SEWER

Bill code	Description	Usage Charge	Rate	Gallons	Units	Jan-Dec Revenues
All Subst.						
70021/70023	Sewer (Res. & Com.)	\$ -	\$ 73.89	-	10,992	\$ 812,182
70022	5/8" Sewer-Mobile Home	-	54.50	-	1,847	100,674
70024/72321	Sewer Collection Charge (70024 River Forest/Stonycreek Only, 72321 The Village)	-	37.77	-	6,335	239,271
	Total			-	19,174	\$ 1,152,127
	Grand Total			7,829,632	20,389	\$ 1,240,601

United Utility Company
PROPOSED REVENUES

Schedule E-Misc

WATER

<u>Bill code</u>	<u>Description</u>	<u>Charge</u>	<u>Annual Average Notices Sent</u>	<u>Revenue</u>
------------------	--------------------	---------------	--	----------------

SEWER

<u>Bill code</u>	<u>Description</u>	<u>Charge</u>	<u>Annual Average Notices Sent</u>	<u>Revenue</u>
70090	Certified Notification Fee	24	500	\$ 12,000

**United Utility Companies, Inc.
Test Year Ended December 31, 2008
Customer Growth**

Schedule F

Water

Actual Customers at 01/01/08	94
Actual Customers at 12/31/08	97
Projected Customers at 12/31/09	97

Sewer

Actual Customers at 01/01/08	1683
Actual Customers at 12/31/08	1657
Projected Customers at 12/31/09	1657

Schedule G

United Utility Company
Average Residential Bill @ Present & Proposed Rates
Test Year Ended December 31, 2008

WATER		Current Rate		Average		Average Increase	Date of Last Rate Increase
Current	Description	Usage	Base	Usage	Bill	Amount	
70001/70002	Residential Water	\$ 4.50	\$ 11.50	5,272	\$ 35.22		2-Jul-02
Proposed							
70001/70002	Residential Water	\$ 8.09	\$ 20.69	5,272	\$ 63.36	\$ 28.13	
SEWER		Current Rate		Average		Increase	Date of Last Rate Increase
Current	Description	Usage	Base	Usage	Bill	Amount	
70021/70028	5/8" Sewer (Res & Com)	\$ -	\$ 48.24	-	\$ 48.24		2-Jul-02
70022	5/8" Sewer-Mobile Home	\$ -	\$ 35.58	-	\$ 35.58		2-Jul-02
70024/72321	Sewer Collection Charge (70024 River Forest/Stonecreek Only. 72321 The Village)	\$ -	\$ 24.66	-	\$ 24.66		2-Jul-02
Proposed							
70021/70028	5/8" Sewer (Res & Com)	\$ -	\$ 73.89	-	\$ 73.89	\$ 25.65	
70022	5/8" Sewer-Mobile Home	\$ -	\$ 54.50	-	\$ 54.50	\$ 18.92	
70024/72321	Sewer Collection Charge (70024 River Forest/Stonecreek Only. 72321 The Village)	\$ -	\$ 37.77	-	\$ 37.77	\$ 13.11	

The rates shown herein are for informational purposes only. Rates for non-residential customers shown herein are calculated based upon an equivalency rating of one (1). If the equivalency rating of a non-residential customer is greater than one (1), then the monthly service charges may be obtained by multiplying the non-residential customer's equivalency rating by the appropriate charge.

BOARD:
Paul C. Aughtry, III
Chairman
Edwin H. Cooper, III
Vice Chairman
Steven G. Kisner
Secretary



C. Earl Hunter, Commissioner

Promoting and protecting the health of the public and the environment

Exhibit C
Page 1 of 2

BOARD:
Henry C. Scott
M. David Mitchell, MD
Glenn A. McCall
Coleman E. Buckhouse, MD

October 16, 2009

Mr. Benjamin Mustian
Willoughby & Hoefer, P.A.
PO Box 8416
Columbia, SC 29202-8416

RE: Your letter of October 15, 2009 (copy enclosed)
List of Water and Wastewater Facilities
United Utility Companies

Dear Mr. Mustian:

This letter affirms that United Utility Companies has valid DHEC permits to operate these systems.

I can be reached at 803-898-4157 or at debessjp@dhec.sc.gov.

Sincerely,

Jeffrey P. deBessonnet, P.E., Director
Water Facilities Permitting Division

cc: Shawn Clarke
Mike Montebello

RECEIVED

OCT 21 2009

Willoughby & Hoefer, P.A.

Sub #	System Name	Drinking Water System #	NPDES #
705	Kingswood	2350011	
712	Woodmont Estates	2350013	
714	Trollingwood	2350010	
714	Trollingwood		SC0026611
715	Briarcreek I		SC0023736
715	Briarcreek II		SC0026409
716	Canterbury		SC0028941
717	Chambert Forest I **		SC0024716
717	Chambert Forest II		SC0024716
718	Fairwood		SC0035041
720	River Forest		collection only
721	Stonecreek		collection only
722	Valleybrook		SC0028673
723	The Village		collection only
724	N. Greenville College		SC0026565
725	Highland Forest		SC0034444
727	Woodmont High School		collection only

3

12

** Chambert Forest #1 WWTP was converted into a flow equalization basin and all flows now go to the Chamber #2 WWTP. NPDES Permit #SC0024716 was increased to accommodate both flows.

Reviewed 10-16-09
J. Bennett

Exhibit D
Page 1 of 2

United Utility Companies Inc
Phone: (800) 367-4314
Collections: (800) 367-4314
Customer Service: (800) 367-4314
www.ulwater.com

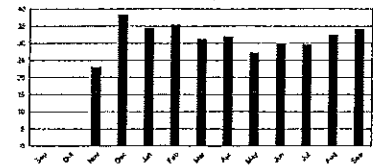


Bill Date	Account Number	Due Date	Please Pay
09/22/2009	[REDACTED]	10/15/2009	\$34.16

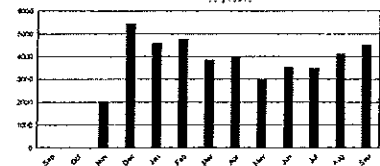
Name [REDACTED] Primary Telephone # [REDACTED]
Service Address [REDACTED]
Activity Since Last Bill
Previous Balance \$32.36
Payments received as of 09/22/2009 \$-32.36
Balance as of 09/22/2009 \$0.00
Residential Water Service
Water Base Charge \$11.50
4,500 gallons at \$4.50 per 1,000 gallons \$20.25
SC DHEC Fee \$2.41
Total Residential Water Service \$34.16
Total Amount Due \$34.16

Summary of Service
Meter Reading Meter # [REDACTED]
Current 53580 09/15/2009
Previous 49080 08/17/2009
Usage 4,500 Gallons
Number of Days: 29
Average Daily Use: 155 Gallons
Average Daily Cost: \$1.18

Billing History



Consumption History



A fee of 1.5% per month will be added if unpaid by the due date.
Make check payable to: United Utility Companies Inc

Messages



PO Box 4509
West Columbia SC 29171-4509



Account Number: [REDACTED]
Due Date: 10/15/2009
Please Pay \$34.16
Amount Paid [REDACTED]

United Utility Companies Inc
PO Box 4509
West Columbia SC 29171-4509
[Barcode]

Exhibit D
Page 2 of 2

United Utility Companies Inc
Phone: (800) 367-4314
Collections: (800) 367-4314
Customer Service: (800) 367-4314
www.ulwater.com



Bill Date	Account Number	Due Date	Please Pay
09/30/2009	[REDACTED]	10/23/2009	\$48.24

Name [REDACTED] Primary Telephone # [REDACTED]

Service Address [REDACTED]

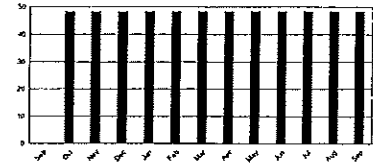
Activity Since Last Bill

Previous Balance	\$48.24	
Payments received as of 09/30/2009	\$-48.24	
Balance as of 09/30/2009		\$0.00
Residential Wastewater Service		
Wastewater Service	\$48.24	
Total Residential Wastewater Service		\$48.24
Total Amount Due		\$48.24

Summary of Service

Period 8/31/2009 - 9/30/2009
Number of Days: 30
Average Daily Cost: \$1.61

Billing History



A fee of 1.5% per month will be added if unpaid by the due date.
Make check payable to: United Utility Companies Inc

Messages



PO Box 4509
West Columbia SC 29171-4509



Account Number: [REDACTED]

Due Date: 10/23/2009

Please Pay \$48.24

Amount Paid

[REDACTED]
[REDACTED]
[REDACTED]

United Utility Companies Inc
PO Box 4509
West Columbia SC 29171-4509
[Barcode]

State of South Carolina
Department of Revenue
301 Gervais Street, P. O. Box 125, Columbia, South Carolina 29214

PSC UTILITY ASSESSMENT

L PDMS LOA PSCUTIL
UNITED UTILITY COMPANIES INC
PO DRAWER 4509

CAYCE, SC 29171-4509
ATTEN: KEN DEAVER

FILE #
FEI #
PERIOD
ISSUE DATE
AMOUNT DUE
DUE DATE

Gross Receipts:

Administration Fee:

Electric:

Regulated Gas:

Municipality Gas:

Telecommunications:

Railroads:

Water/Waste:

Transportation:

Telecommunications LEC

Regulatory Staff Fee ORS

TOTAL DUE:

450


Authorized Signature Title

7-9-07
ate

Please attach your remittance to the enclosed copy of this notice and send it to:

SOUTH CAROLINA DEPARTMENT OF REVENUE
LICENSE TAX OFFICE AUDIT
(Address Above)

PHONE NUMBER: (803) 896-1970

Exhibit E
Page 1 of 2

R09420

Utilities Inc
G/L by Business Unit

11/17/2009 11:15:57

Page

1

From Date - 11/1/2009
Thru Date 11/17/2009

G/L Account	Explanations	Account Description	Do	G/L	Amount		Current	P	Batch
					Debit	Credit			
403100.757	United Utility Company		Document	Date	403				
	United Utility Company				403				
SOUTH CAROLINA TAX COMMISSION									
403100.757 UTILITY/COMMISSION TAX									
Period Total					176437	7/31/2009			
Ending Balance									
Business Unit Total									

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING AND HEARING

DOCKET NO. 2009-__-WS

UNITED UTILITY COMPANIES, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATIONS TO CERTAIN TERMS AND CONDITIONS FOR THE PROVISION OF WATER AND SEWER SERVICE

United Utility Companies, Inc. (UUC or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. UUC is a public utility, as defined by S.C. Code Ann. § 58-5-10(3) (Supp. 2008), providing water and sewer service to the public for compensation in certain areas of South Carolina pursuant to rates approved by the Commission in Docket No. 2000-210-W/S.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2008) and 26 S.C. Code Ann. Regs. 103-512.4.A and 103-712.4.A (Supp. 2008), the Company requests that the Commission approve an increase in its monthly water and sewer service rates. Pursuant to R. 103-703 and 26 S.C. Code Ann. Regs. R. 103-503 (1976), Applicant further proposes a modification to the terms and conditions under which a tenant will be billed for water and sewer services to comport with current S.C. Code Ann. § 27-33-50 (Supp. 2008), as same may be amended in the future. Also, pursuant to 26 S.C. Code Ann. Regs. R. 103-703 (1976), Applicant proposes to add language requiring its customers who install, permit to be installed or maintain a cross connection between the Company's water system and any other non-public water system to install a backflow prevention device in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as may be amended from time to time. The Company further proposes to require such customers to annually have such cross connection inspected by a licensed certified tester and provide to Utility no later than June 30 of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. R.61-58.7.F (Supp. 2008), as same may be amended from time to time. Additionally, Applicant proposes to modify the provision dealing with single family equivalents to incorporate the pertinent regulation of the South Carolina Department of Health and Environmental Control ("DHEC"), and to include language pertaining to the terms and conditions for extensions of its facilities for service. Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Notification Fee to be charged in connection with a notice required to be provided pursuant to RR. 103-535.1 (Supp.2008) prior to disconnection of sewer services.

In support of its request for an adjustment in the Company's water and sewer rates, terms and conditions UUC asserts, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies which regulate the environmental aspect of the Company's business, and earn a reasonable return on its investment and attract capital for future improvements. The Company also asserts that the proposed water and sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services. Further, the Company asserts that an increase in its Notification Fee is necessary due to increased postal costs and increased mailings due to the number of delinquent customers.

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THE PROPOSED CHANGES IN THE RATES AND CHARGES ARE SET FORTH BELOW
(The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov)

WATER

	Current	Proposed
Monthly Charges		
<u>Residential (per single family house, condominium, mobile home, apartment unit)</u>		
<u>Charge for Water Distribution Only</u>		
<u>Residential</u>		
Base Facilities Charge	\$11.50	\$20.69
Commodity Charge	\$4.50 per 1,000 gallons or 134 cft	\$8.09 per 1,000 gallons or 134 cft
<u>Commercial</u>		
Basic Facilities Charge		
Per single family equivalent (SFE)	\$11.50	\$20.69
Commodity Charge:	\$4.50 per 1,000 gallons or 134 cft	\$8.09 per 1,000 gallons or 134 cft

SEWER

	Current	Proposed
Residential monthly charge		
Per single-family house, condominium, villa, or apartment unit	\$48.24 per unit	\$73.89 per unit
Mobile Homes – monthly charge	\$35.58 per unit	\$54.50 per unit
Commercial – monthly charge	\$48.24 per SFE	\$73.89 per SFE
<u>Charge for Sewer Collection Only</u>		
Residential – monthly charge per single-family house, condominium, mobile home or apartment unit	\$24.66 per unit	\$37.77 per unit
Commercial – monthly charge Per single-family equivalent	\$24.66 per SFE	\$37.77 per SFE
Notification Fee pursuant to R. 103-535.1	\$4.00	\$24.00

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Docketing Department, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, UUC's Application is available on the Commission's website at www.psc.sc.gov.

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In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, South Carolina on _____

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before _____, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2009-____-W/S.*

Any person who wishes to testify and present evidence at the hearing should notify the Docketing Department, in writing, at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before _____, and indicate the amount of time required for the presentation. *Please refer to Docket No. 2009-____-W/S*

Any person who wishes to request a hearing in his or her county of residence should notify on or before _____, in writing, the Docketing Department at the address below, the Office of Regulatory Staff, Post Office Box 11263, Columbia, South Carolina 29211, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202-8416. *Please refer to Docket No. 2009-____-W/S*

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before _____. *Please refer to Docket No. 2009-____-W/S*

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211

____/____/____

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2009-_____-WS

IN RE:

Application of United Utility
Companies, Inc. for adjustment of
rates and charges and modifications to
certain terms and conditions for the
provision of water and sewer service.

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of **United Utility Companies, Inc.'s Application** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

Honorable C. Dukes Scott
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211


Clark Fancher

Columbia, South Carolina
This 17th day of November, 2009.

RECEIVED
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SC PUBLIC SERVICE
COMMISSION